

The Applicant has amended the claims to recite steps in both the preamble and the body of each claim. These steps treat and manipulate the debt instrument and business entity in both the preamble and the body of each claim. The Examiner had accurately pointed out that the debt instrument and the business entity were indeed physical entities or physical things but the former claims were not reciting steps in the body of the claims to manipulate or treat these physical entities. The claims have been amended to contain steps in the both the body and the preamble of each claim that treat and manipulate both the debt instrument and the business entity that were both stated by the Examiner in the last detailed action to be physical entities.

The Applicant has amended the claims to clarify the confusing line:  
"said share or shares of equity of said business entity"

Equity in the business world is another word for ownership. Equity is the opposite of debt and the debt instrument that the Applicant is claiming in the application has as one of it's novel features the ability to enhance or increase the value of the equity or ownership of a business entity (corporation). Equity in the corporate world is normally called stock but there are different types of stock and sometimes the word stock is not used at all. They might use the word unit that means the same thing but to avoid confusion the Applicant was describing a share of ownership of a business entity regardless of the name. To that end the Applicant has amended the confusing line in the claims to:

"said single share or multiple shares of equity ownership of said business entity"

In this way the Applicant clarifies what is meant by equity and the claim applies to a single share or if the debt instrument is joined to more than one share of ownership of a business entity.

3. The Examiner rejected the claims under 35 U.S.C. 101 that reads:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent thereof, subject to the conditions and requirements of this title.

David Pressman, a patent attorney and former Patent Office Examiner, states in his book Patent It Yourself on page 5/4 paragraph 4 line 5 "Processes always have one or more steps, each of which expresses some activity and manipulates or treats some physical thing." The Applicant is considering this to be a written legal opinion of what the legal definition of a process is since David Pressman is a patent attorney. **The Applicant is requesting a written legal definition of a process from the Examiner if the one stated in quotes by David Pressman is incorrect.**

35 U.S.C. 101 states that a process is patentable and many processes have been patented **without a computer performing any steps**. The Pressman definition of a process does not require a computer to perform any steps. There is a requirement of some "physical thing". The invention claimed clearly has a physical thing in the claims and the actual process itself. The Examiner acknowledges this in the statement on page 2 line 8-10 of the last detailed action. " Claims 38-48, in the preamble there are method steps. However, in the body of the claim there are physical entities ("debt instrument", "business entity") along with functional language and no positively recited steps." The Examiner clearly states that the business entity in the claims is a physical entity and the Examiner is correct. The business entity is the physical thing or physical entity that is manipulated and treated in the invention and the claims. The method steps that the Examiner mentions are the activities that both manipulates and treats the physical assets of the business entity. The physical assets of the business entity can include: buildings, land, manufacturing equipment or machines, product inventory, furniture, typewriters, computers, currency, phones, paper, paperclips, staples, pens, etc.

Therefore, there is no need for a computer to perform any steps in the invention claimed. The physical things that are manipulated and treated are the assets of the business entity. The Pressman definition does not require that the "some physical thing" must do the manipulation or treatment. The requirement is that "some physical thing" must be manipulated or treated.

The Applicant has amended the claims to state that the assets are being directly manipulated and treated in terms of interest paid and the sum certain in money paid. The claims have also been amended to reflect the "claim on assets" as a direct treatment of the assets. The unconditional promise to pay is a claim or treatment of the assets. In that if there is a failure to pay the sum certain in money to the shareholder of record at the appropriate time the assets will be distributed (manipulated) to the creditors of the business entity. This is like your car being repossessed because you failed to make the payments. The car is taken from you (manipulation) and returned to the folks that sold you the car. There is a manipulation of assets equal to the value of fixed rate of interest and equal to the value of the sum certain in money. There is also a treatment of assets in regard to the federal government that will treat the interest payments as tax deductible and less assets will be distributed (manipulation) to the federal government. The treatment aspect of the debt instrument manipulates the flow of assets from one group to another.

Business methods are patentable if they are tied to a physical thing such as computer hardware. The method claimed is not an abstract method because it involves concrete objects that are the assets of the business entity. An arrangement of printed matter such as a printed label on a mattress telling how to turn it to insure even wear (U.S. Patent 4,095,299), or dictionary tabs that guide you to the desired word more rapidly (U.S. Patent 4,927,178), have been patented as articles of manufacture. A debt instrument is tied to and is an extension of

the assets of the business entity. In place of such physical things such as a dictionary, a mattress or a computer the invention merely substitutes the assets of a business entity. The Applicant submits that the invention claimed is a process and has such is entitled to a patent under 35 U.S.C. 101.

The Applicant understands that the assets of a business entity may not be a traditional physical form that is manipulated or treated by a business method or that this invention will fit neatly into a known patent classification. The Applicant also understands that this application may be somewhat of a "office procedure headache" for these reasons but those are not legal grounds to reject the application under 35 U.S.C. It is not incumbent on any Applicant to invent or write claims for an invention that will fit neatly into a patent classification or to follow along with traditional office procedure norms. Looking for ways to help get this application allowed the Applicant has a computer performing a step in some of the amended claims. The Applicant maintains that the other claims that are absent a computer performing any step are legal process claims as stated above and should be allowed. Perhaps if some of the claims use a computer it will help get the application allowed.